SERMA & Federal Government Subsidies for Health Care

SERMA and Federal Government Subsidy Eligibility

For non-Medicare retirees, access to your SERMA funds makes you ineligible for Federal Government subsidies through the health care marketplace ("The Exchanges").

Most Intel retirees will exceed the income limitations for Federal Government subsidies through The Exchanges. Here are a few things that impact your eligibility for a federal subsidy:

- Your age
- Your income (income must be between 100% and 400% of federal poverty)
- Your family size
- Where you live
- Access to a Health Reimbursement Account (HRA) such as SERMA disqualifies you from eligibility regardless if you meet the other requirements
- If you are enrolled in Medicare, you're ineligible for Federal subsidies

You can get more information at the Healthcare Market Subsidy Program website.

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Your SERMA and Contributing to a Health Savings Account (HSA)

Access to your SERMA funds makes you ineligible to make contributions to a Health Savings Account (HSA). Access to a Health Reimbursement Account (HRA) such as SERMA disqualifies you from contributing or having someone else, like an employer, from contributing to an HSA on your behalf. If contributions are made to a Health Savings Account (HSA) and you have access to your SERMA funds, your HSA contributions will be disqualified and create a tax event to you.

Temporarily opting out of SERMA

If you are otherwise eligible for the ACA subsidies through the Marketplace or Exchange, you must temporarily "Opt Out" of SERMA in order to qualify.

When you "Opt Out," your SERMA balance is frozen and you will not be able to use SERMA to pay for Intel or non-Intel sponsored healthcare premiums for you or your dependents for the year. Your "Opt Out" election will carry over from year to year unless you "Opt In" again.

You may choose to temporarily "Opt Out" of SERMA through the following:

- Upon Initial Retirement, within 31 days of your initial retirement, for the remainder of the current calendar year.
- During Annual Enrollment for the following calendar year.
- Prospectively during the year for the following month.

There are online tools that help you identify if your income levels qualify for federal premium tax credits. If you want to learn more now, these sites are helpful: https://www.healthcare.gov and http://kff.org/health-reform.

If you have questions or to "Opt Out," please contact the Intel Health Benefits Center by calling 877-GoMyBen (466-9236).

Please review the IRMP and SERMA Plan Document and Summary Plan Description for a complete description of SERMA eligibility, requirements, and benefits.

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